APPROVED FOR RELEASE **DATE: OCT 2000** 

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1964 DEC 24

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FM CIA

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PP ESF

TO STATE (RCI)

WHITE HOUSE SIT ROOM

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E0 12958 3.4(b)(1)>25Yrs (C)

COUNTRY LIALY

SUBJECT PROBABLE ITALIAN GOVERNMENT CRISIS AFTER THE PRESIDENTIAL ELECTIONS

PLACE AND DATE ACQ.

E0 12958 3.4(b)(1)>25Yrs (C)

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(C)

DISTR. 24 DECEMBER 1964

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1. PAOLO EMILIO TAVIANI IS NOW GREATLY DISCOURAGED. NENNI'S LETTER TO THE PCI DEALS A SERIOUS BLOW TO THE CENTER LEFT POLICIES AND TO TAVIANI'S OWN POSITION. IT IS HARD TO SEE NOW A GRAVE CRISIS CAN BE AVOIDED.

2. ACCORDING TO TAVIANI, THE ITALIAN COMMUNIST PARTY (PCI), OF COURSE, IS PUSHING FOR A PEOPLE'S FRONT. TO SUCCEED, HOWEVER, IT WILL ALWAYS NEED SOME 82 OR MORE CHRISTIAN DEMOCRATIC PARTY (DC) VOTES. THIS IT WILL NOT GET. THE SITUATION THUS LEADS TO PARALYSIS AND UTTERCONFUSION.

3. THE NEW PRESIDENT OF THE REPUBLIC, WHOEVER HE MAY BE, WILL, OF COURSE, RECEIVE THE PRESENT GOVERNMENT'S RESIGNATION. THE NEXT GOVERNMENT CAN ONLY BE A CARETAKER TEMPORARY ARRANGEMENT. AS THE SITUATION NOW STANDS, IT IS LIKELY THAT THE NEW PRESIDENT WILL HAVE TO DISSOLVE PARLIAMENT AND CALL FOR NEW ELECTIONS EVEN IF IT LEADS TO FURTHER LEFTIST GAINS.

FOR THE BALLOTS ON 24 DECEMBER, ACCORDING TO TAVIANI, THE DC WILL PERSIST IN UPHOLDING ITS OWN CANDIDATE. COMMENT:
AT 0930 HOURS 24 DECEMBER

GIUSEPPE SARAGAT WILL BE RELAUNCHED ON 24 DECEMBER AS THE OFFICIAL CANDIDATE OF THE CENTER LEFT PARTIES. THERE WAS NO CHANGE IN THE FIRST BALLOT ON 24 DECEMBER AND THERE IS STILL NO EVIDENCE FROM THAT THE DC PARTY PLANS TO SHIFT THEIR VOTES TO SARAGAT!

5.

DISSEM: STATE.

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